

AMENDED IN ASSEMBLY JUNE 14, 2000

SENATE BILL

No. 1664

**Introduced by ~~Committee on Budget and Fiscal Review~~
*Senator Karnette***

February 22, 2000

~~An act relating to public social services, and declaring the urgency thereof, to take effect immediately. An act to amend Sections 20543, 20544, and 20563 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1664, as amended, ~~Committee on Budget and Fiscal Review Karnette. Budget Act implementation: State Supplementary Program Franchise and income tax laws: seniors' tax assistance: full value: property tax equivalent.~~

The Gonsalves-Deukmejian-Petris Senior Citizens Property Tax Assistance Law provides for payment of assistance by the Franchise Tax Board to claimants, whether those claimants own or rent their residences, in accordance with schedules that reduce the amount of assistance provided as the amount of a claimant's household income increases along a specified scale of household income amounts. The amount of assistance for a claimant owning his or her residential dwelling is a specified percentage, based on household income, of tax on the first \$34,000 of full value. The amount of assistance for a claimant renting his or her residence is a specified percentage, based on household income, of the statutory property tax equivalent of \$250.

1	3,520	94
2	3,740	92
3	3,960	90
4	4,180	88
5	4,400	86
6	4,620	84
7	4,840	82
8	5,060	80
9	5,280	78
10	5,500	76
11	5,720	73
12	5,940	69
13	6,160	65
14	6,380	61
15	6,600	57
16	6,820	53
17	7,040	49
18	7,260	45
19	7,480	41
20	7,700	37
21	7,920	34
22	8,140	31
23	8,360	28
24	8,580	25
25	8,800	22
26	9,020	20
27	9,240	18
28	9,460	16
29	9,680	14
30	9,900	12
31	10,450	10
32	11,000	8
33	11,550	7
34	12,100	6
35	12,650	5
36	13,200	4

(3) For claims filed with respect to the 2000 calendar year, the percentage of assistance for which each

claimant owning his or her residential dwelling shall be eligible shall be based on the following scale:

		<i>The percentage of tax on</i>
		<i>the first \$34,000 of full</i>
		<i>value (as determined for</i>
		<i>tax purposes) used to</i>
		<i>provide assistance is:</i>
	<i>If the total household income (as defined</i>	
	<i>in this part) is not more than:</i>	
9	\$8,498	240%
10	9,065	235
11	9,631	230
12	10,198	225
13	10,765	220
14	11,331	215
15	11,897	210
16	12,464	205
17	13,031	200
18	13,598	195
19	14,164	190
20	14,730	183
21	15,297	173
22	15,864	163
23	16,430	153
24	16,997	143
25	17,563	133
26	18,129	123
27	18,697	113
28	19,263	103
29	19,830	93
30	20,396	85
31	20,962	78
32	21,530	70
33	22,096	63
34	22,662	55
35	23,229	50
36	23,795	45
37	24,362	40
38	24,929	35
39	25,495	30
40	26,912	25

1	28,328	20
2	29,745	18
3	31,161	15
4	32,578	13
5	33,993	10

6

7 (b) With respect to assistance that is provided by the
8 Franchise Tax Board pursuant to this chapter for the 1999
9 calendar year, the household income figures set forth in
10 paragraph (2) of subdivision (a) shall be multiplied by a
11 factor of 2.51.

12 (c) With respect to assistance that is provided by the
13 Franchise Tax Board pursuant to this chapter for the 2000
14 calendar year and each year thereafter, the household
15 income figures that apply to assistance provided by the
16 Franchise Tax Board during that period shall be the
17 household income figures that applied to assistance
18 provided by the Franchise Tax Board in the same period
19 in the immediately preceding year, multiplied by an
20 inflation factor calculated as follows:

21 (1) On or before February 1 of each year, the
22 Department of Industrial Relations shall transmit to the
23 Franchise Tax Board the percentage change in the
24 California Consumer Price Index for all items from June
25 of the second preceding calendar year to June of the
26 immediately preceding calendar year.

27 (2) The Franchise Tax Board shall add 100 percent to
28 the percentage change figure that is furnished pursuant
29 to paragraph (1) and divide the result by 100.

30 (3) The Franchise Tax Board shall multiply the
31 immediately preceding household income figure by the
32 inflation adjustment factor determined in paragraph (2),
33 and round off the resulting product to the nearest one
34 dollar (\$1).

35 *SEC. 2. Section 20544 of the Revenue and Taxation*
36 *Code is amended to read:*

37 20544. (a) (1) The amount of assistance for a
38 claimant renting his or her residence shall be based on the
39 claimant's household income for the time period set forth
40 in Section 20503.



(2) ~~The~~ *Except as provided in paragraph (3), the* percentage of assistance for which each claimant renting his or her residence shall be eligible shall be based on the following scale:

If the total household income (as defined in this part) is not more than:	The statutory property tax equivalent is:	The percentage of the statutory property tax equivalent used to provide assistance is:
\$3,300	\$250	96%
3,520	250	94
3,740	250	92
3,960	250	90
4,180	250	88
4,400	250	86
4,620	250	84
4,840	250	82
5,060	250	80
5,280	250	78
5,500	250	76
5,720	250	73
5,940	250	69
6,160	250	65
6,380	250	61
6,600	250	57
6,820	250	53
7,040	250	49
7,260	250	45
7,480	250	41
7,700	250	37
7,920	250	34
8,140	250	31
8,360	250	28
8,580	250	25
8,800	250	22
9,020	250	20
9,240	250	18
9,460	250	16
9,680	250	14
9,900	250	12

1	10,450	250	10
2	11,000	250	8
3	11,550	250	7
4	12,100	250	6
5	12,600	250	5
6	13,200	250	4

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8 *(3) For claims filed with respect to the 2000 calendar*
9 *year, the percentage of assistance for which each*
10 *claimant renting his or her residence shall be eligible shall*
11 *be based on the following scale:*

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13

<i>If the total household</i>		<i>The percentage of the</i>	
<i>income (as defined in this</i>		<i>statutory property tax</i>	
<i>part) is not more than:</i>		<i>equivalent used to</i>	
		<i>provide assistance is:</i>	
14	<i>\$8,498</i>	<i>\$625</i>	<i>96%</i>
15	<i>9,065</i>	<i>625</i>	<i>94</i>
16	<i>9,631</i>	<i>625</i>	<i>92</i>
17	<i>10,198</i>	<i>625</i>	<i>90</i>
18	<i>10,765</i>	<i>625</i>	<i>88</i>
19	<i>11,331</i>	<i>625</i>	<i>86</i>
20	<i>11,897</i>	<i>625</i>	<i>84</i>
21	<i>12,464</i>	<i>625</i>	<i>82</i>
22	<i>13,031</i>	<i>625</i>	<i>80</i>
23	<i>13,598</i>	<i>625</i>	<i>78</i>
24	<i>14,164</i>	<i>625</i>	<i>76</i>
25	<i>14,730</i>	<i>625</i>	<i>73</i>
26	<i>15,297</i>	<i>625</i>	<i>69</i>
27	<i>15,864</i>	<i>625</i>	<i>65</i>
28	<i>16,430</i>	<i>625</i>	<i>61</i>
29	<i>16,997</i>	<i>625</i>	<i>57</i>
30	<i>17,563</i>	<i>625</i>	<i>53</i>
31	<i>18,219</i>	<i>625</i>	<i>49</i>
32	<i>18,697</i>	<i>625</i>	<i>45</i>
33	<i>19,263</i>	<i>625</i>	<i>41</i>
34	<i>19,830</i>	<i>625</i>	<i>37</i>
35	<i>20,396</i>	<i>625</i>	<i>34</i>
36	<i>20,962</i>	<i>625</i>	<i>31</i>
37	<i>21,530</i>	<i>625</i>	<i>28</i>

40



1	22,096	625	25
2	22,662	625	22
3	23,229	625	20
4	23,795	625	18
5	24,362	625	16
6	24,929	625	14
7	25,495	625	12
8	26,912	625	10
9	28,328	625	8
10	29,745	625	7
11	31,161	625	6
12	32,578	625	5
13	33,993	625	4

14

15 (b) With respect to assistance that is provided by the
 16 Franchise Tax Board pursuant to this chapter for the 1999
 17 calendar year, the household income figures set forth in
 18 paragraph (2) of subdivision (a) shall be multiplied by a
 19 factor of 2.51.

20 (c) With respect to assistance that is provided by the
 21 Franchise Tax Board pursuant to this chapter for the 2000
 22 calendar year and each year thereafter, the household
 23 income figures that apply to assistance provided by the
 24 Franchise Tax Board during that period shall be the
 25 household income figures that applied to assistance
 26 provided by the Franchise Tax Board in the same period
 27 in the immediately preceding year, multiplied by an
 28 inflation factor calculated as follows:

29 (1) On or before February 1 of each year, the
 30 Department of Industrial Relations shall transmit to the
 31 Franchise Tax Board the percentage change in the
 32 California Consumer Price Index for all items from June
 33 of the second preceding calendar year to June of the
 34 immediately preceding calendar year.

35 (2) The Franchise Tax Board shall add 100 percent to
 36 the percentage change figure that is furnished pursuant
 37 to paragraph (1) and divide the result by 100.

38 (3) The Franchise Tax Board shall multiply the
 39 immediately preceding household income figure by the
 40 inflation adjustment factor determined in paragraph (2),

1 and round off the resulting product to the nearest one
2 dollar (\$1).

3 *SEC. 3. Section 20563 of the Revenue and Taxation*
4 *Code is amended to read:*

5 20563. (a) The claim on which the assistance is based
6 shall be filed after ~~May 15~~ *July 1* of the fiscal year for which
7 assistance is claimed but on or before ~~August 31~~ *October*
8 *15* succeeding the fiscal year for which assistance is
9 claimed. The Franchise Tax Board may thereafter accept
10 claims through June 30 succeeding the fiscal year for
11 which assistance is claimed.

12 (b) The state shall assist the claimant after ~~June 30~~ *July*
13 *15* and before ~~October 31~~ *November 15* of the calendar
14 year in which the claim is filed, except that if the claim is
15 defective, assistance shall be made as promptly as is
16 practicable after the claim has been perfected.

17 (c) A claimant who, because of a medical incapacity,
18 is prevented from filing a timely claim, shall be permitted
19 to file a claim within six months after the end of his or her
20 medical incapacity or three (3) years succeeding the end
21 of the fiscal year for which assistance is claimed,
22 whichever date is earlier.

23 *SEC. 4. This act is an urgency statute necessary for*
24 *the immediate preservation of the public peace, health,*
25 *or safety within the meaning of Article IV of the*
26 *Constitution and shall go into immediate effect. The facts*
27 *constituting the necessity are:*

28 *In order to provide a one-time increase of property tax*
29 *assistance payments for low-income seniors and disabled*
30 *individuals for the 2000-01 fiscal year, it is necessary that*
31 *this act go into immediate effect.*

32 ~~enacting this act to make the necessary statutory changes~~
33 ~~to implement the Budget Act of 2000 relative to the State~~
34 ~~Supplementary Program, administered by the State~~
35 ~~Department of Social Services.~~

36 ~~SEC. 2. This act is an urgency statute necessary for the~~
37 ~~immediate preservation of the public peace, health, or~~
38 ~~safety within the meaning of Article IV of the~~
39 ~~Constitution and shall go into immediate effect. The facts~~
40 ~~constituting the necessity are:~~

1 ~~In order to provide for the administration of this act~~
2 ~~relating to the State Supplementary Program for the~~
3 ~~entire 2000-01 fiscal year, it is necessary that this act go~~
4 ~~into immediate effect.~~

